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Agriculture's Place in the Northeast-Midwest Region:

Top Commodities and Receipts by State

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Upcoming Changes in Farm Policy

Congress faces basic choices about farm policy in two different forums in the near future. Coming shortly to the House and Senate floor is the farm-policy authorization bill, which will replace the expiring Farm Security Act of 1985. Next year Congress probably will vote on a package of trade-policy changes presented by the White House to implement the expected multilateral agreement now being negotiated by nations adhering to the General Agreement on Tariffs and Trade (GATT). Prospects for a significant GATT agreement restricting agriculture subsidies have improved as a result of commitments made at the July 9-11 summit meeting in Houston of chief executives of the Group of Seven major industrial powers (the United States, Japan, West Germany, France, Italy, Great Britain, Canada) and of the 12-nation European Community.

Both the farm bill and the GATT implementation bill will have major implications for agricultural production and for the nation's economy as a whole. Farming and processing of agricultural products account for 16 percent of U.S. gross national product.[1] Agriculture also is one of the bright spots in the nation's international trade picture, yielding a trade surplus of $18.2 billion in 1989 at a time when the nation's overall merchandise trade deficit was $109 billion.[2]

Agriculture absorbs a significant part of the federal budget--more than $48 billion in fiscal 1990. Outlays for agricultural price supports come to only $8.2 billion of this total, according to administration estimates. This figure is less than a third of agricultural price supports recorded in fiscal 1986, when support payments peaked at $25.8 billion.[3]

In upcoming reports, the Northeast-Midwest Institute will cover in depth the implications of the GATT Round for U.S. farm policy. Meanwhile, this report provides background on the agricultural economy of Northeast-Midwest states.

The Regional Stake in Agricultural Production and Policy

The sizable stake of the Northeast-Midwest region in farming and farm policy can be seen in the data compiled in the tables that follow. All data are drawn from the U.S. Department of Agriculture's *State Financial Summary, 1988* (the most recent annual figures available), which reports 1988 cash receipts by state and commodity.[4]

Figure 1 shows the Northeast-Midwest region's receipts from agriculture compared with those of the rest of the nation. The 18 states of the Northeast and Midwest accounted for 31.2 percent of the nation's agricultural receipts in 1988. Table 1 shows where states of the region rank in the production of livestock and poultry, in crops, and in 25 specific commodity categories.

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[1]World Perspectives, Inc., *U.S. Agricultural Policy Guide* (Washington, D.C., 1990), p. ix.

[2]Donna U. Vogt, *Agricultural Exports: Overview and Selected Data* (Washington, D.C.: Congressional Research Service, May 11, 1990), p. 5.

[3]Northeast-Midwest Institute, *The Budget and the Region, Fiscal 1991: A Regional Analysis of the President's Fiscal 1991 Request* (Washington, D.C., January 1990), p. 19.

[4]U.S. Department of Agriculture, Economic Research Service, *Economic Indicators of the Farm Sector: State Financial Summary, 1988* (Washington, D.C., October 1989).

The region includes four of the top ten states in livestock and poultry, and four of the top ten crop producers.

The region claims seven of the top ten states in earnings from dairy products, five of the nation's top ten in soybeans, six of the top ten in corn, and five of the top ten in receipts from hog production.

Among the top ten commodities for the Northeast-Midwest region as a whole, dairy products ranked first in 1988 cash receipts, followed by soybeans, corn, cattle and calves, and hogs (see Table 2). These top five earners yielded 77 percent of total agricultural commodity receipts for the region in 1988, with dairy products alone accounting for more than 20 percent. The top ten combined were responsible for 87 percent of the region's 1988 cash receipts.

How the Region's Commodities Rank

Midwest

The Midwest is the premier agricultural area of the Northeast-Midwest region (Figure 1). Midwestern states earned 24.5 percent of national cash receipts from agricultural commodities in 1988, accounting for 78 percent of receipts for the Northeast-Midwest region.

In the seven states of the Midwest, just five commodities produced 85 percent of total cash receipts--soybeans, dairy products, corn, hogs, and cattle and calves (Table 3).

State-by-state tabulations of top commodities within the states of the Midwest (Tables 4-10) show how four of these seven states achieve their ranking among the top ten agricultural earners nationwide.

Illinois (Table 4), ranked sixth nationally, is a major producer of soybeans (second in the nation), corn (first in the nation), and hogs (second nationally). The state also has significant production of cattle and calves and dairy products.

Indiana (Table 5), which ranks eleventh in overall commodity receipts nationally, is likewise strongest in soybeans, corn, and hogs, ranking fourth nationally in receipts in each category.

Iowa (Table 6) is the top agricultural state in the Midwest and in the Northeast-Midwest region as a whole, ranking third nationally behind California and Texas in total agricultural receipts. Iowa's top-earning commodities are hogs (first in the nation), soybeans (first in the nation), cattle and calves (fifth nationally), and corn (second). Iowa also ranks tenth nationally in dairy production.

Michigan (Table 7) makes the top ten nationally in both dairy products (seventh) and corn (tenth). Although cattle and calves and soybeans rank third and fourth in the state, Michigan's fifth-ranked commodity, greenhouse/nursery products, makes the top ten nationally (ninth).

Minnesota (Table 8) ranks seventh in agricultural receipts nationwide. All five of Minnesota's top five commodities--dairy products, soybeans, cattle and calves, corn, and hogs--rank in the top ten nationally as well.

Ohio's receipts from soybeans, dairy products, corn, and hog production all rank in the top ten nationally (Table 9). Ohio earns more from cattle and calves (fourth in the state) than from hogs (fifth in the state, eighth nationally), however.

Wisconsin (Table 10) is the nation's leader in receipts from dairy products and ranks ninth in the nation in overall agricultural receipts. Wisconsin also makes the top ten nationally in cattle and calves (tenth) and potatoes (fifth in the state and fifth nationally), just missing in hogs (eleventh nationally).

Mid-Atlantic

The Mid-Atlantic states account for 5.5 percent of agricultural commodity receipts nationwide (Figure 1), and roughly 18 percent in the Northeast-Midwest region, with individual states looming large in certain commodities. In the Mid-Atlantic states as a whole, dairy products are the number-one commodity, accounting for 36 percent of receipts for the five states combined (Table 11).

Delaware (Table 12), despite its small size, ranks sixth in the nation in receipts from production of broilers (poultry), the state's top commodity. Also significant at the state level are soybeans and greenhouse/nursery products, but broilers account for 67 percent of the state's agricultural commodity receipts.[5]

Broilers are also the top-earning commodity in Maryland (Table 13), putting the state in seventh place nationally in that commodity category and accounting for 32 percent of the state's agricultural commodity receipts. Maryland draws significant income from dairy products and greenhouse/nursery products as well.

New Jersey's top earner is greenhouse/nursery products (Table 14), ranked seventh nationally. The state also ranks second nationwide in blueberries, although dairy products and eggs are bigger earners for New Jersey.

New York (Table 15) is third in the nation in dairy products, which yield 53 percent of the state's total cash receipts from agricultural commodities. The state also makes the national top ten in greenhouse/nursery products (sixth), hay (tenth), and apples (third), though cattle and calves bring in more income than hay and apples combined.

Pennsylvania (Table 16) is another major dairy state, ranking fourth nationwide. Dairy products account for 41 percent of the state's cash receipts from agricultural commodities. Pennsylvania is fourth in greenhouse/nursery products, first in the nation in mushrooms, and sixth in eggs. However, cattle and calves rank second only to dairy products at the state level.

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[5]Percentage is based on figures for each state's total receipts found in the USDA *State Financial Summary, 1988*, p. 7.

New England

The New England states account for 1.2 percent of agricultural receipts nationally and for about 4 percent in the Northeast-Midwest region (Figure 1). Dairy production is the top earner in the six New England states combined, bringing in more than 31 percent of total cash receipts (Table 17). Greenhouse/nursery products and eggs combined almost equal dairy production as an income source for New England farmers.

Connecticut's top earner is greenhouse/nursery products, followed by eggs and dairy products (Table 18). But it is the state's fourth-best earner, tobacco, that puts Connecticut among the top ten states nationally (eighth).

Maine's top-earning product is potatoes, ranked sixth nationally (Table 19). Maine is also the nation's leader in receipts from blueberries, but eggs and dairy products each earn significantly more for Maine farmers.

Greenhouse/nursery products are the top commodity in Massachusetts (Table 20), but the state's second-best earner, cranberries, ranks first in the country. Apples, fifth in the state, rank tenth nationally. Dairy products and eggs are bigger earners than apples at the state level, however.

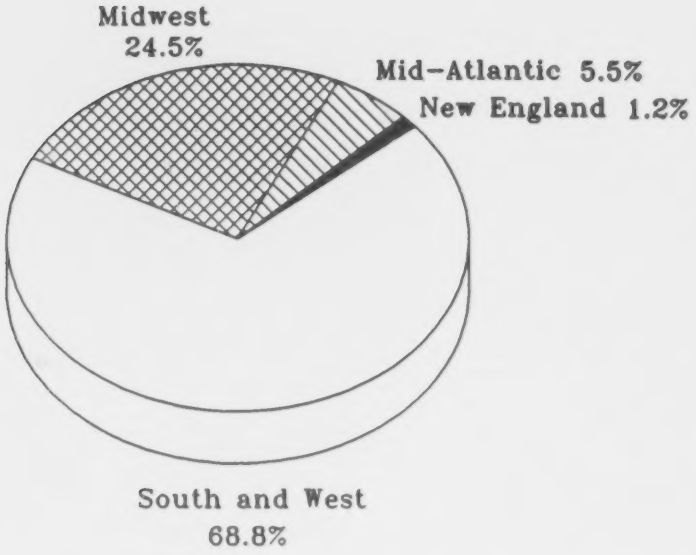
In New Hampshire (Table 21), dairy products are the top commodity, with greenhouse/nursery products a close second. Earning considerably less but ranked fifteenth nationally is the state's apple production.

Rhode Island's dominant commodity category is greenhouse nursery products (Table 22). Nearly half of all agricultural cash receipts come from this category. Dairy products come in a distant second.

Vermont's top earner is dairy products, accounting for nearly 75 percent of total agricultural receipts (Table 23). Vermont's next-biggest earners are cattle and calves and hay. But in maple products, fourth-ranked earner in the state, Vermont is first in the nation.

Figure 1

Regional Percent of Total U.S.
Net Cash Receipts, All Commodities



(in thousands of dollars)

New England = $1,808,492
Mid-Atlantic = $8,349,580
Midwest = $37,104,965
South and West = $104,167,724

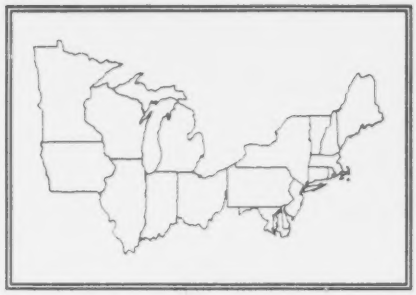
SOURCE: Northeast-Midwest staff calculations from USDA, *Economic Indicators of the Farm Sector: State Financial Summary* 1988 (Washington, D.C., October 1989), Table 5, pp. 60-125.

Table 1
Ten Leading States for Cash Receipts (including net Commodity Credit Corporation Loans), 1988
(in millions of dollars)

Commodities	Rank	Value	1	2	3	4	5	6	7	8	9	10
Total		151,431	CA 16,598	TX 10,281	***IA 9,074***	NE 7,979	KS 6,594	***IL 6,461***	***MN 6,107***	FL 5,811	***WI 5,048***	NC 4,173
Livestock & poultry	1	78,862	TX 6,498	NE 5,336	***IA 5,045***	CA 4,704	***WI 4,281***	KS 4,265	***MN 3,364***	CO 2,655	***PA 2,348***	OK 2,284
Crops	2	72,569	CA 11,894	FL 4,697	***IL 42,218***	***IA 4,029***	TX 3,783	***MN 2,743***	NE 2,643	***IN 2,367***	KS 2,329	WA 2,146
Cattle and calves	1	36,290	TX 4,936	NE 4,412	KS 3,805	CO 2,275	***IA 2,007***	OK 1,799	CA 1,614	SD 1,361	***MN 957***	***WI 851***
Dairy products	2	17,668	***WI 2,998***	CA 2,081	***NY 1,393***	***PA 1,344***	***MN 1,194***	TX 643	***MI 641***	***OH 579***	WA 493	***IA 430***
Soybeans	3	12,389	***IA 2,121***	***IL 1,983***	***MN 1,145***	***IN 1,024***	MO 912	***OH 872***	NE 552	AR 550	KS 376	LA 365
Corn	4	10,132	***IL 1,795***	***IA 1,734***	NE 1,396	***IN 974***	***MN 761***	***OH 548***	MO 316	TX 311	KS 282	***MI 267***
Hogs	5	9,214	***IA 2,416***	***IL 1,024***	***MN 750***	***IN 717***	NE 670	MO 510	NC 444	***OH 377***	SD 311	KS 260
Broilers	6	7,431	AR 1,250	GA 1,071	AL 936	NC 713	MS 503	***DE 397***	***MD 396***	TX 391	CA 339	VA 265
Greenhouse and nursery	7	6,938	CA 1,576	FL 948	TX 514	***PA 283***	OR 250	***NY 224***	***NJ 221***	NC 215	***MI 212***	OK 206
Wheat	8	6,433	KS 1,056	ND 666	OK 529	WA 435	MT 325	TX 288	CO 261	ID 261	NE 233	MO 218
Cotton	9	4,668	TX 1,400	CA 994	MS 540	AZ 378	LA 322	AR 305	TN 177	AL 120	GA 112	OK 100
Eggs	10	3,059	CA 298	GA 230	AR 227	***IN 204***	NC 190	***PA 186***	TX 182	AL 143	***OH 139***	FL 94
Hay	11	2,899	CA 593	CO 153	KS 150	TX 115	AZ 108	WA 106	NE 94	***PA 91***	ID 88	***NY 87***
Tobacco	12	2,039	NC 858	KY 472	SC 159	GA 140	TN 138	VA 134	***MD 23***	***CT 20***	FL 20	***OH 18***
Turkeys	13	1,955	NC 338	***MN 268***	CA 200	MO 134	AR 119	VA 116	***IN 105***	CO 77	***IA 75***	***PA 70***
Oranges	14	1,704	FL 1,291	CA 386	TX 14	AZ 14	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Potatoes	15	1,650	ID 358	WA 242	CA 152	FL 111	***WI 103***	***ME 100***	OR 76	ND 69	***MN 64***	***NY 56***
Grapes	16	1,503	CA 1,358	WA 45	***NY 36***	AZ 30	***MI 14***	***PA 12***	***OH 2***	GA 2	AR 2	NC 1
Tomatoes	17	1,408	CA 650	FL 476	VA 42	***OH 32***	SC 27	TN 23	***NY 20***	***IN 18***	***NJ 16***	***PA 16***
Rice	18	1,245	AR 501	CA 228	LA 190	TX 182	MS 114	MO 30	n.a.	n.a.	n.a.	n.a.
Sorghum grain	19	1,126	KS 379	TX 303	NE 179	MO 66	AR 49	OK 35	NM 18	MS 18	LA 18	CO 16
Apples	20	1,112	WA 470	CA 114	***NY 80***	***MI 76***	VA 49	***PA 47***	WV 28	NC 28	ID 24	***MA 20***
Peanuts	21	1,082	GA 486	AL 157	NC 118	TX 113	VA 69	OK 61	FL 59	SC 10	NM 9	AZ 1
Lettuce	22	1,045	CA 632	AZ 321	FL 47	TX 9	CO 7	***NY 7***	WA 5	***NJ 5***	NM 5	***MI 3***
Sugarbeets	23	919	***MN 208***	CA 178	ID 158	ND 113	***MI 50***	NE 47	WY 45	MT 44	CO 31	TX 24
Cane for sugar	24	873	FL 415	LA 212	HI 212	TX 33	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Barley	25	846	ND 233	ID 119	MT 109	***MN 87***	WA 74	CA 41	SD 37	CO 32	OR 29	WY 19

SOURCE: USDA, *Economic Indicators of the Farm Sector: State Financial Summary* 1988 (Washington, D.C., October 1989), Table 5, p. 6.

Table 2
Northeast-Midwest



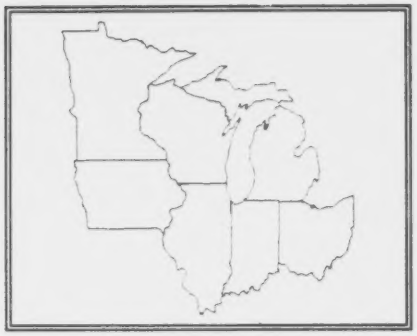
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy products	10,032,290
2. Soybean	7,617,639
3. Corn	6,463,284
4. Cattle and calves	6,230,370
5. Hogs	5,858,728
6. Greenhouse/Nursery	1,698,720
7. Broilers	968,880
8. Chicken eggs	912,030
9. Wheat	779,446
10. Hay	601,499

SOURCE: Same as Figure 1.

Table 3
Midwest



Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Soybean	7,466,560
2. Dairy products	6,470,646
3. Corn	6,271,167
4. Hogs	5,702,674
5. Cattle and calves	5,625,857
6. Wheat	779,446
7. Greenhouse/Nursery	624,712
8. Turkeys	496,710
9. Hay	453,968
10. Chicken eggs	442,136

SOURCE: Same as Figure 1.

Table 4
Illinois

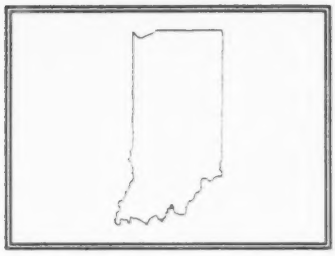
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Soybean	1,982,555
2. Corn	1,794,756
3. Hogs	1,023,619
4. Cattle and calves	811,786
5. Dairy products	338,062
6. Wheat	213,125
7. Hay	63,150
8. Greenhouse/Nursery	52,560
9. Chicken eggs	37,050
10. Turkeys	15,683

SOURCE: Same as Figure 1.

Table 5
Indiana



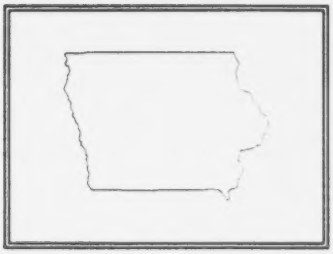
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Soybean	1,023,799
2. Corn	974,369
3. Hogs	716,587
4. Cattle and calves	339,505
5. Dairy products	291,141
6. Chicken eggs	204,125
7. Wheat	116,099
8. Turkeys	104,722
9. Greenhouse/Nursery	67,264
10. Hay	44,474

SOURCE: Same as Figure 1.

Table 6
Iowa



Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Hogs	2,415,557
2. Soybean	2,121,238
3. Cattle and calves	2,007,035
4. Corn	1,734,389
5. Dairy products	429,520
6. Turkeys	74,880
7. Hay	65,761
8. Chicken eggs	62,174
9. Greenhouse/Nursery	49,753
10. Oats	32,012

SOURCE: Same as Figure 1.

Table 7
Michigan

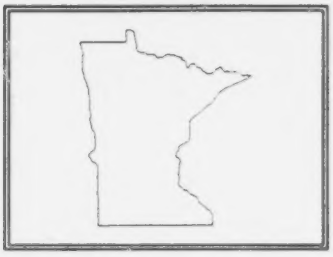
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy products	640,686
2. Corn	266,559
3. Cattle and calves	258,869
4. Soybean	248,899
5. Greenhouse/Nursery	211,728
6. Hogs	193,744
7. Wheat	85,551
8. Hay	80,719
9. Apples	75,818
10. Cherries	60,635

SOURCE: Same as Figure 1.

Table 8
Minnesota



Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy products	1,194,425
2. Soybean	1,145,137
3. Cattle and calves	956,741
4. Corn	761,177
5. Hogs	749,700
6. Turkeys	267,729
7. Wheat	212,722
8. Sugar beets	207,743
9. Barley	86,545
10. Hay	74,608

SOURCE: Same as Figure 1.

Table 9
Ohio

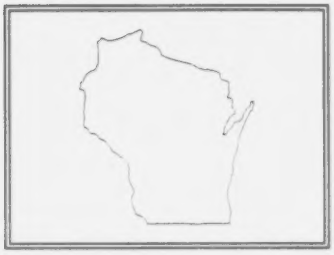
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Soybean	872,117
2. Dairy products	578,563
3. Corn	548,364
4. Cattle and calves	401,289
5. Hogs	376,575
6. Greenhouse/Nursery	177,801
7. Wheat	151,949
8. Chicken eggs	138,787
9. Hay	72,006
10. Turkeys	33,696

SOURCE: Same as Figure 1.

Table 10
Wisconsin



Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy products	2,998,249
2. Cattle and calves	850,632
3. Hogs	226,892
4. Corn	191,553
5. Potatoes	103,125
6. Soybean	72,815
7. Greenhouse/Nurser	65,606
8. Cranberries	64,380
9. Hay	53,250
10. Mink pelts	50,783

SOURCE: Same as Figure 1.

Table 11
Mid-Atlantic

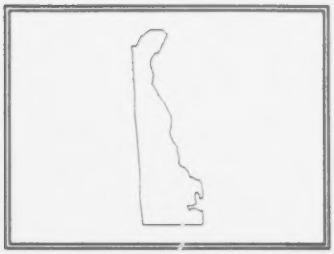
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy Products	2,993,812
2. Broilers	968,880
3. Greenhouse/Nursery	728,299
4. Cattle and calves	510,983
5. Chicken eggs	265,855
6. Corn	192,117
7. Mushrooms	212,033
8. Hay	110,388
9. Hogs	156,054
10. Soybean	151,079

SOURCE: Same as Figure 1.

Table 12
Delaware



Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Broilers	396,855
2. Soybean	41,229
3. Greenhouse/Nursery	31,500
4. Corn	20,989
5. Dairy products	17,290
6. Chicken eggs	12,897
7. Potatoes	12,085
8. Wheat	10,643
9. Hogs	9,622
10. Mushrooms	3,733

SOURCE: Same as Figure 1.

Table 13
Maryland

Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Broilers	396,142
2. Dairy products	185,640
3. Greenhouse/Nursery	171,818
4. Soybean	89,271
5. Cattle and calves	67,188
6. Corn	51,502
7. Chicken eggs	43,493
8. Hogs	30,858
9. Wheat	29,253
10. Tobacco	23,419

SOURCE: Same as Figure 1.

Table 14
New Jersey

Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Greenhouse/Nursery	220,551
2. Dairy products	53,901
3. Chicken eggs	23,895
4. Blueberries	21,350
5. Soybean	20,579
6. Peaches	19,524
7. Cranberries	16,687
8. Tomatoes	16,338
9. Cattle and calves	16,282
10. Corn	13,420

SOURCE: Same as Figure 1.

Table 15
New York

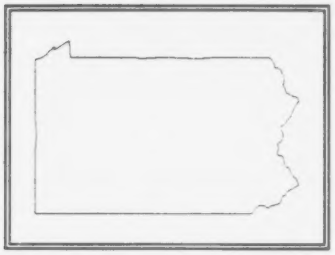
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy products	1,393,266
2. Greenhouse/Nursery	223,788
3. Cattle and calves	204,446
4. Hay	86,988
5. Apples	79,603
6. Corn	64,253
7. Potatoes	56,224
8. Onions	50,142
9. Chicken eggs	39,676
10. Grapes	36,133

SOURCE: Same as Figure 1.

Table 16
Pennsylvania



Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy products	1,343,715
2. Cattle and calves	406,934
3. Greenhouse/Nursery	283,080
4. Mushrooms	208,300
5. Chicken eggs	185,570
6. Broilers	175,883
7. Hogs	115,574
8. Hay	90,864
9. Corn	89,868
10. Turkeys	69,520

SOURCE: Same as Figure 1.

Table 17
New England

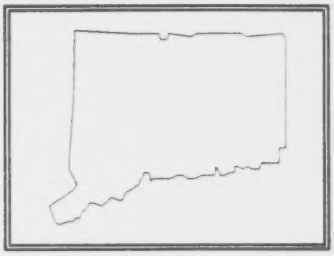
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy Products	567,832
2. Greenhouse/Nursery	345,709
3. Chicken eggs	204,039
4. Potatoes	101,432
5. Cattle and calves	93,530
6. Cranberries	84,804
7. Apples	67,206
8. Hay	37,143
9. Tobacco	28,324
10. Blueberries	22,500

SOURCE: Same as Figure 1.

Table 18
Connecticut



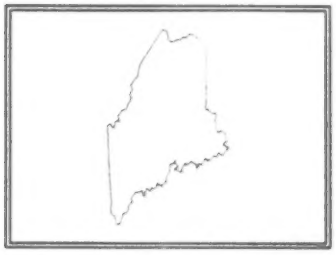
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Greenhouse/Nursery	116,339
2. Chicken eggs	82,207
3. Dairy products	72,752
4. Tobacco	20,281
5. Cattle and calves	13,388
6. Apples	9,854
7. Hay	8,055
8. Corn, sweet	5,095
9. Peaches	1,430
10. Farm chickens	517

SOURCE: Same as Figure 1.

Table 19
Maine



Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Potatoes	99,902
2. Chicken eggs	89,917
3. Dairy products	85,550
4. Blueberries	22,500
5. Cattle and calves	22,031
6. Greenhouse/Nursery	17,000
7. Apples	16,887
8. Oats	6,654
9. Hay	2,802
10. Hogs	948

SOURCE: Same as Figure 1.

Table 20
Massachusetts

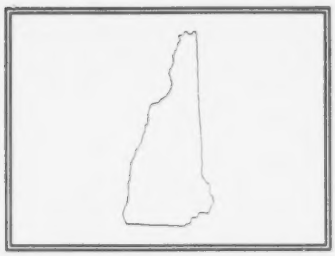
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Greenhouse/Nursery	131,370
2. Cranberries	84,804
3. Dairy products	62,778
4. Chicken eggs	20,305
5. Apples	19,746
6. Corn, sweet	11,594
7. Tobacco	8,043
8. Cattle and calves	5,918
9. Tomatoes	5,775
10. Hay	4,458

SOURCE: Same as Figure 1.

Table 21
New Hampshire



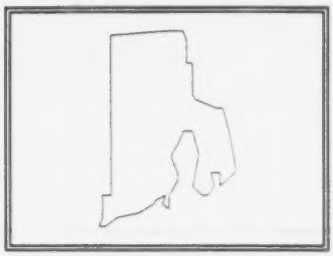
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy products	39,721
2. Greenhouse/Nursery	32,000
3. Apples	11,248
4. Cattle and calves	10,362
5. Hay	6,582
6. Chicken eggs	3,783
7. Maple products	2,797
8. NA	
9. NA	
10. NA	

SOURCE: Same as Figure 1.

Table 22
Rhode Island



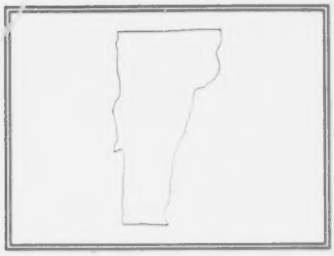
Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Greenhouse/Nursery	38,000
2. Dairy Products	5,450
3. Chicken eggs	3,597
4. Potatoes	1,530
5. Apples	1,233
6. NA	
7. NA	
8. NA	
9. NA	
10. NA	

SOURCE: Same as Figure 1.

Table 23
Vermont



Top Ten Commodities

(net cash receipts in thousands of dollars)

1. Dairy products	301,581
2. Cattle and calves	41,831
3. Hay	15,246
4. Maple products	12,469
5. Greenhouse/Nursery	11,000
6. Apples	8,238
7. Chicken eggs	4,230
8. Hogs	1,029
9. NA	
10. NA	

SOURCE: Same as Figure 1.